

MONTANA STATE AUDITOR'S OFFICE
INSURANCE DEPARTMENT
HELENA, MONTANA

IN THE MATTER OF:

JEFFREY G. COLE,

Respondent.

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Case No.: 2001-51

CONSENT AGREEMENT AND
FINAL ORDER

I.

The Montana Insurance Commissioner (Commissioner), pursuant to the authority of the Insurance Code of Montana, § 33-1-101, et seq., MCA, determines that there is probable cause to believe that the following allegations, if true, justify and support disciplinary treatment.

ALLEGATIONS

1. The Respondent is a licensed insurance producer, Montana license #23214, and was so licensed at all times relevant to this action.

2. The Respondent previously took over control and operation of an insurance agency from retired insurance producer [REDACTED] thereby assuming [REDACTED] clientele. After taking over [REDACTED] business, the Respondent forged the signatures of 64 insureds on "Change of Agent" forms that named the Respondent as each insured's new agent of record. The Respondent then submitted said forms to the insurance company.

3. Montana law delineates forgery as a criminal offense pursuant to § 45-6-325, MCA.

CONCLUSIONS

Therefore, if such conduct is true, all such instances of forgery as hereinabove described constitute a violation of § 45-6-325, MCA. Furthermore, if such conduct is true, each such act is a violation of § 33-17-1001 of the Montana Insurance Code and is punishable by a fine not to

exceed \$5,000.00 per violation pursuant to § 33-1-317, MCA.

II.

Jeffrey G. Cole stipulates and consents to the following:

- A. To pay a \$23,000.00 fine as follows: the Respondent shall pay the sum of \$479.17 to the Montana State Auditor by the first day of each month for 48 consecutive months, with the first such payment due and payable on the first day of the next month following the signing of this Consent Agreement and Final Order;
- B. To comply with all provisions of the Montana Insurance Code;
- C. To waive the right to a hearing on the above-mentioned allegations and, that by entering into this Consent Agreement, neither admits nor denies the substance of the allegations of the Commissioner;
- D. To waive his right to any and all statutes of limitation, including his right to speedy trial;
- E. That Respondent states that he has read the foregoing Consent Agreement, that he knows and fully understands its contents and effect. Respondent acknowledges that he has been advised of: his right to be represented by legal counsel and if represented by legal counsel, that his legal representation was satisfactory; that it is fully aware of his right to a hearing in this matter, his right to present evidence and arguments to the Commissioner and his right to appeal from an adverse determination after hearing. Respondent further acknowledges that in signing this Consent Agreement, he is not under the influence of any substance that might impair his judgment. Respondent understands that, by signing this Consent Agreement, he waives those rights mentioned above in their entirety;
- F. Jeffrey G. Cole further understands and agrees that compliance with this Consent

Agreement and Final Order shall be a final compromise and settlement of the Department's allegations contained herein. Cole further understands that, upon the signing of the Final Order by the Commissioner or his representative, this Consent Agreement and Final Order will be an order of the Commissioner and failure to comply with the same may constitute separate violations of the Montana Insurance Code, pursuant to Mont. Code Ann. § 33-17-1001 and/or other applicable statutes or rules, and may result in subsequent legal action by the Department.

G. Respondent states that he understands that this Consent Agreement is part of the Commissioner's file, which is a public record. As a public record it may not be sealed. Also, he understands that the Commissioner develops press releases based on Consent Agreements on a routine basis and sends them to the news organizations in the state of Montana; and

H. It is further understood that this Consent Agreement constitutes the entire agreement between the parties, there being no other promises or agreements, either express or implied.

III.

Pursuant to the stipulation and consent of Jeffrey G. Cole, the Commissioner, under authority of the Insurance Code of Montana and § 2-4-603, MCA hereby agrees that if the terms and conditions of this Consent Agreement are fully met, he will not initiate any civil, administrative or criminal action against Jeffrey G. Cole regarding the allegations contained herein. In consideration for the Commissioner not initiating any civil or administrative action, Jeffrey G. Cole fully and forever releases and discharges the Office of the State Auditor, the elected State Auditor and all State Auditor employees from any and all actions, claims, causes of action, demands, or expenses for damages or injuries, whether asserted or unasserted, known or unknown, foreseen or unforeseen, arising out of the above entitled administrative action.

DATED this 6 day of Dec, 2002.

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RESPONDENT

Jeffrey G. Cole
Jeffrey G. Cole

Subscribed and sworn to before me this 6th day of December, 2002.

(SEAL)

Karen M. Engstrom
Notary Public for the
State of Montana
Residing at Bozeman Mt
My commission expires 10-9-06.

JOHN MORRISON
State Auditor and
Commissioner of Insurance

By:

John K. Kurtz
John K. Kurtz
Legal Counsel